



B1

March 17, 1992

Mr. Wendell R. Ross
Airport Manager
4770 Wright Street
Columbus, IN 47203

Ref: Walesboro Airport Lease
Test Track

Dear Wendell:

As we discussed today, our lease on the Walesboro airport test track has expired, and Cummins Engine Company, Inc. would like to continue leasing this property.

In lieu of preparing an entire new lease document, I would like for us to jointly agree to the following.

Cummins Engine Company, Inc. shall continue leasing the referenced location on a year to year arrangement under the same terms and conditions of the prime lease.

Either party may terminate this agreement by giving 90 days notice. Such notice must be given prior to January 1 of each calendar year.

If you are in agreement to this language please sign below, and we will use this letter as an extension agreement.

Please call me if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read 'J. H. Bonnell'.

Director - Corporate Facilities

T.H. Bonnell/rw

A handwritten signature in cursive script, appearing to read 'Thomas H. Vickers'.

I, Thomas H. Vickers being
duly anauthorized hereby
agree to the terms outlined
herein

LEASE

THIS INDENTURE made this 20th day of December, 1978, between the Board of Aviation Commissioners of the City of Columbus, Indiana, organized under the laws of the State of Indiana and having its principal office at 4565 Middle Road, Columbus Bakalar Airport, Columbus, Indiana, hereinafter called Landlord, and Cummins Engine Company, Inc., an Indiana corporation with its principal office at 1000 Fifth Street, Columbus, Indiana, hereinafter called Tenant.

WITNESSETH: That the Landlord, in consideration of rents, terms, covenants, conditions and agreements hereinafter reserved and contained on the part of the Tenant to be paid, kept and performed, has granted, demised, leased and let, and by these presents does grant, demise, lease and let unto the said Tenant and the Tenant does hereby take and hire from the Landlord:

(1) Description of Property: All that certain lot, piece or parcel of land with the improvements thereon, situate, living and being in Bartholomew County, Indiana, and more particularly described in Schedule "A" attached hereto, and known as Walesboro Airport Test Track.

(2) Restrictions, Leases, Violations, etc., to Which Property is Subject: The aforesaid Premises are leased subject to all applicable zoning laws and building restrictions, and subject to approval of Federal Aviation Administration.

(3) Term of Lease: Tenant is to have the said premises for the full term of one (1) year, commencing on the 1st day of January, 1979, and ending the 31st day of December, 1979.

(4) Option of Tenant to Renew Lease: The Tenant is hereby given two (2) separate options to renew the term of this lease for successive one (1) year periods after the expiration of the initial term hereof. If Tenant desires to exercise the option herein given it shall give the Landlord written notice of its intention to do so on or before three (3) months prior to the expiration of the initial term hereof, and of the succeeding Renewal Period.

(5) Rental: Tenant shall pay Landlord a rent of Ten Thousand Five Hundred Sixty-Five Dollars and fifty cents (\$10,565.50) for each year of the lease herein, payable monthly starting January 1, 1979, and each and every month thereafter, said monthly rental to be Eight Hundred Eighty Dollars and forty-six cents (\$880.46); and in addition thereto all such duties, taxes, assessments, general or special, ordinary or extraordinary, water taxes, rates and/or meter charges, charges for water meters and charges for setting meter in any building which may hereafter be erected upon said Premises or any part thereof and any and all other sums, payments or licenses laid, levied, assessed, charged, or imposed upon or growing due and payable out of or liens upon, or for or by reason of, said demised premises or any part thereof, the leasehold estate hereby created, and the streets in front of or appurtenant to the same, by virtue of any present or future law of the United States of America, or of the State of Indiana, or of any county, municipality or other political subdivision thereof, or any present or future law, order or ordinance of the City of Columbus, or of any department, bureau or officer thereof, except the Board of Aviation Commissioners, and each and every other sum or sums of money which in any event or upon any contingency herein mentioned or provided for, or pursuant to any covenant or provision hereof, is or may become due and payable by said Tenant, all of which payments and sums in addition to the net rent are hereinafter called "additional rent." All "additional rent" is hereby made and declared to be rent and to be due and payable as rent by the Tenant under this lease at the time and in the manner provided.

(6) Tenant's Payment of Taxes, Assessments and Charges: The Tenant shall at the Tenant's own proper costs and charges, bear, pay and discharge all such "additional rent" laid, levied, assessed or imposed upon or growing due and payable or liens resulting therefrom upon or out of the demised premises or any part thereof, and

the streets in front of or appurtenant to same, by virtue of any present or future law of the United States of America, or of the State of Indiana or of any county, municipality or political subdivision thereof, or of any present or future law, order or ordinance of the City of Columbus, or of any department, bureau or officer thereof, except the Board of Aviation Commissioners, and shall from time to time, upon reasonable request, exhibit vouchers and receipts for said payments to the Landlord, and in default of the payment of any of such sums by the Tenant for Sixty (60) days after any of said sums shall have become payable, the Landlord may, upon two days' written notice to the Tenant, pay the same, and the provisions contained in Article (24) shall apply, provided that should any such items of additional rent be payable without penalty or interest for more than thirty days after the same becomes payable, then the time in which Tenant may pay the same shall expire five days prior to the last day on which such payment without interest or penalty may be made.

(7) Right of Tenant to Contest Taxes, Assessments and Other Charges Against Property: The Tenant shall have the right in good faith to contest or review by legal proceedings or in such other manner as he deems suitable, (which proceedings, if instituted, shall be conducted promptly at Tenant's expense and free of expense to the Landlord) any such "additional rent" laid, levied, assessed or imposed upon or growing due and payable out of or liens upon, or for or by reason of the said demised premises or any part thereof, and the streets in front of or appurtenant to the same, provided he shall have deposited with the Landlord the amount of such "additional rent" to be contested or shall have delivered to the Landlord a surety bond in such an amount, in form and in a company satisfactory to the Landlord, and in case any such "additional rent" shall as a result of any such proceedings or otherwise be reduced, cancelled, set aside or to any extent discharged, and upon the determination of

such proceedings, the Tenant shall pay the amount that shall be finally assessed or imposed against said premises or be adjudicated to be due and payable as any such disputed or contested "additional rent". Upon such determination, the Landlord shall return the Tenant's deposit without interest, provided the Tenant shall have paid, and submitted proper evidence of payment of, such "additional rent".

In lieu of making the deposit hereinabove provided for, the Tenant may pay such item of contested additional rent to the appropriate public authority, under protest, The Landlord will join in any contest or protest provided for in this paragraph at the request of the Tenant, but at the Tenant's sole cost and expense, and as a condition of such joinder may require reasonable indemnity against costs or other damage by reason of such joinder.

(8) Net Lease Clause: It is the intention of these presents that the Landlord shall receive the rents and "additional rents" reserved herein, and all sum or sums which shall or may become payable hereunder by the Tenant under any contingency free from all taxes, charges, expenses, damages and deductions of every kind or sort whatsoever; and that the Tenant shall and will and hereby expressly agrees to apply all such "additional rent" and such other sums which, except for the execution and delivery of these presents, would have been chargeable against said premises and payable by the Landlord. The Tenant, however, shall not be under any obligation to pay any interest on any mortgages which may be a lien against the fee simple of said premises or the Landlord's estate or interest therein, or any franchise or income tax which is or may become payable by the Landlord or any gift, inheritance, transfer, estate or succession tax by reason of any existing law or any law which hereafter may be enacted. Tenant shall be notified of any assignment of rents by the Landlord.

(9) Restrictions on Tenant's Use of Property: The runway and taxi strip will be used for high speed testing of truck vehicles and possibly alternate power systems.

Acoustical development may necessitate the evaluation of truck vehicles with loud or no silencing means and may result in other vehicle noise such as tires, gears, air intake, etc.

Structural development necessitates evaluation of extreme loads of acceleration and braking and backfiring the systems many times with resultant noise.

If any of the above uses are prohibited by law at some future date, Tenant shall have the right to terminate this lease. If Tenant terminates this lease under this clause, he shall vacate and surrender possession of the Premises.

(10) Indemnification of Landlord Against Claims: The Tenant shall hold the Landlord harmless against any and all claims, damages arising after the commencement of said term and any orders, decrees or judgements which may be entered herein, brought for damages or alleged damages resulting from any injury to person or property or from loss of life sustained in or about the said demised Premises and improvements thereon, or streets in front of or appurtenant thereto, by any person or persons whatever. Tenant shall not, however, be responsible for any damages arising from negligence of the Landlord.

(11) Termination of Lease on Total Condemnation: If at any time during the term hereof the whole of the Premises shall be taken for any public or quasi public use, under any statute, or by right of eminent domain, then, in such event, when possession shall have been taken thereunder of the Premises by the condemning authority, the term hereby granted, and all right of the Tenant hereunder, shall immediately cease and terminate, and the rent shall be apportioned and paid to the time of such termination.

(12) Tenant's Option to Cancel Lease on Substantial Reduction of Premises Through Condemnation: If the part of the Premises so taken or condemned shall reduce the Premises to such extent as to prevent the Tenant from continuing the substantial operation and con-

duct of its business on the Premises, then the Tenant shall have the right, at the Tenant's election to cancel and terminate this Lease. If the Tenant shall exercise such right of cancellation, the Tenant shall receive that portion of the award relating to any New Building constructed or in the process of being constructed by Tenant and continue to pay rent hereunder until such time as the Tenant shall surrender possession of the Premises, and thereupon and thereafter the Tenant shall be released and discharged from all further obligations to pay rent hereunder. The Tenant's said option to cancel and terminate shall be exercised by notice to that effect given by the Tenant to the Landlord within Thirty (30) days after the date when the Tenant shall surrender possession of the portion of the Premises so taken.

(13) Insurance: During the term hereof, the Tenant at its own cost and expense and as additional rent shall:

(a) Public Liability Insurance: Provide and keep in force in such form as the Landlord shall reasonably direct, public liability insurance protecting the Landlord against any and all liability arising out of the Tenant's use of the Premises, and in the amounts of not less than One Million Dollars (\$1,000,000) in respect to any one accident or disaster and in the amount of not less than One Hundred Thousand Dollars (\$100,000) in respect to injuries to any one person.

(b) Premiums to be paid by Tenant: All premiums and charges for all of said policies shall be paid by the Tenant and if the Tenant shall fail to make any such payment when due, or carry any such policy, the Landlord may, but shall not be obligated to, make such payment or carry such policy, and the amount paid by the Landlord, with interest thereon, shall be repaid to the Landlord by the Tenant on demand, and all such amounts so repayable together with such interest, shall be considered as additional rent payable hereunder, for the collection of which the Landlord shall have all of

the remedies provided herein or by law provided for the collection of rent. Payment by the Landlord of any such premium or the carrying by the Landlord of any such policy shall not be deemed to waive or release the default of the Tenant with respect thereto.

(c) Renewal of Insurance: By renewal date of the coverages stipulated above, Tenant shall deliver to Landlord Certificates evidencing renewal of such coverages. Each certificate shall provide that ten (10) days written notice of any change in or cancellation of the coverages so evidenced shall be given by the insurance companies to the Landlord.

(d) Compliance with Insurance Company Requirements: The Tenant shall not violate or permit to be violated any of the conditions or provisions of any such policy, and the Tenant shall so perform and satisfy the requirements of the companies writing such policies that at all times companies of good standing satisfactory to the Landlord shall be willing to write and/or continue such insurance.

(14) Reimbursement of Funds Expensed by Landlord Due to Tenant's Failure to Perform: In case the Landlord shall pay or be compelled to pay any sum of money or do any act which shall require the expenditure or payment of any sum by reason of the failure of the Tenant, after such notice, if any, as the Tenant by the terms of this lease may be entitled to, to perform any one or more of the terms, covenants, conditions or agreements herein contained, the Tenant shall immediately repay the same to the Landlord upon demand, and in default thereof then the sum or sums so paid by the Landlord, together with all interest, costs and damages, shall or may be added as additional rent to the next installment of rent becoming due on the next rent day, or on any subsequent rent day fixed by this lease, and shall for all purposes whatsoever be deemed to be rent due and payable on such rent day, or on any subsequent rent day, as said Landlord may at Landlord's option elect, and shall be payable as such, but it is expressly covenanted and agreed hereby that payment by the Landlord of

any such sums of money or the doing of any such acts shall not be deemed to waive or release the default in the payment or doing thereof by said Tenant, or the right of the Landlord to recover possession, at Landlord's election, of the said demised premises by reason of Tenant's default with respect to any such payment or act.

(15) Acts of Default Defined: Each of the following shall be deemed a default by the Tenant and a breach of this lease.

(a) Failure to pay the rent herein reserved, or any part thereof, other than additional rent, for a period of Thirty (30) days after notice;

(b) Failure to do, observe, keep and perform any of the terms, covenants, conditions, agreements and provisions in this Lease contained on the part of the Tenant to be done, observed, kept and performed, including failure to pay additional rent, for a period of Thirty (30) days after notice;

(c) The abandonment of the Premises by the Tenant, the adjudication of the Tenant as a bankrupt, the making by the Tenant of a general assignment for the benefit of creditors, the taking by the Tenant of the benefit of any insolvency act or law, the appointment of a permanent receiver or trustee in bankruptcy for the Tenant's property, the appointment of a temporary receiver which is not vacated or set aside within Thirty (30) days from the date of such appointment and any failure to do, observe, keep and perform any of the terms, covenants, conditions, agreements and provisions in this Lease contained on the part of the Tenant to be done, observed, kept and performed. The occurrence of any of the acts or events enumerated in this subdivision (c) however, shall not be considered a default in respect to any Leasehold Mortgagee and the Leasehold Mortgage shall nevertheless have all of the rights and privileges set forth herein;

For the purposes of subdivision (b) of this Article, if the default complained of be a default other than one which may be cured by the

payment of money, no default on the part of the Tenant in the performance of work required to be performed or acts to be done or conditions to be met shall be deemed to exist if steps shall have been in good faith commenced promptly by the Tenant to rectify the same and shall be prosecuted to completion with diligence and continuity.

(16) Landlord's Remedies in Event of Default: In the event of any such default, and at any time thereafter, the Landlord may serve a written notice upon the Tenant that the Landlord elects to terminate this Lease upon a specified date not less than Sixty (60) days after the date of serving such notice except in the case of a default for nonpayment of rent, in which event such date shall be not less than Thirty (30) days after the expiration of any notice given under said subdivision. This Lease shall then expire on the date so specified as if that date had been originally fixed as the expiration date of the term herein granted unless such default shall have been cured within the applicable period provided in said notice. No default or failure to perform by the Tenant shall be deemed waived unless waived by instrument in writing signed by the Landlord except that a default or failure to perform shall be deemed waived of such default or failure is fully and completely rectified before the expiration of the period specified in the notice of termination of this Lease served on the Tenant.

(17) Reentry by Landlord on Default: In the event this Lease shall be terminated as hereinbefore provided, or by summary proceedings or other wise, or in the event that the Premises, or any part thereof, shall be abandoned by the Tenant, the Landlord, or its agents, servants or representatives, may, immediately or at any time thereafter reenter and resume possession of the Premises or any part thereof, and remove all persons and property therefrom, either by summary dispossess proceedings or by a suitable action or proceeding at law, or by force or otherwise, without being liable for any damages therefor. No reentry by the Landlord shall be deemed an ac-

ceptance of a surrender of this Lease or a liquidation or satisfaction to any extent whatever of Tenant's liability to pay rent and additional rent as herein provided.

(18) Measure of Damages on Default: In the event that this Lease be terminated by summary proceedings, or otherwise as provided, or if the Premises shall have been abandoned, and whether or not the Premises be relet, the Landlord shall be entitled to recover from the Tenant, and the Tenant shall pay to the Landlord, in addition to any damages becoming due, the following:

(a) Expenses in recovering possession-maintenance costs:

An equal amount of all expenses if any, including reasonable counsel fees, incurred by the Landlord in recovering possession of the damages shall be due and payable by the Tenant to the Landlord at such time as such expenses shall have been incurred by the Landlord.

(19) Landlord's or Tenant's Failure to Enforce Lease Provisions:

The failure of the Landlord or Tenant to enforce any term, covenant, condition or agreement hereof by reason of its breach the Tenant or the Landlord after notice had, shall not be deemed to avoid or affect the right of the Landlord or Tenant to enforce the same term, covenant, condition or agreement on the occasion of the subsequent default or breach.

(20) Tenant's Right to Assign or Sublet: The Tenant may sublease or underlet the demised Premises in total, however, Tenant shall not have the right to subdivide the land area for use of more than one tenant.

(21) Leasehold Mortgagee's Rights on Tenant's Default: Curing Defaults: If the Landlord shall elect to terminate this lease by reason of any default mentioned or described in this Lease, the Leasehold Mortgagee of this Lease, provided it has given the notice required herein, shall not only have and be subrogated to any and all rights of the Tenant with respect to curing of any default, but shall

also have the right to postpone and extend the specified date for the termination of this Lease, fixed by the Landlord in a notice given pursuant to this lease to both Tenant and Leasehold Mortgage for a period of not more than Six (6) months, provided such Leasehold Mortgage shall promptly take all reasonable steps to cure any then existing default of the Tenant, continue promptly to pay the rent and no further defaults shall occur hereunder during such extended period and the Leasehold Mortgagee shall forthwith take steps to acquire the Tenant's interest in this Lease as a result of foreclosure of the mortgage, provided, further that if at the end of said Six (6) months period such Leasehold Mortgagee shall be actively engaged in steps to acquire the Tenant's interest herein the time of such Leasehold Mortgagee to comply with the provisions of this Article shall be extended for such period as shall be necessary to complete such steps with due diligence and continuity, provided that during any such extensions no further default shall occur, or shall have occurred hereunder by the Tenant or Leasehold Mortgagee. In the event of a default by the Tenant in possession as specified herein, the Leasehold Mortgagee shall nevertheless have the rights specified in this Article.

(22) Arbitration: Whenever under any provision of this Lease it is provided that any question shall be determined by arbitration as provided in this article, such question shall be settled and finally determined by arbitration in the City of Columbus, Indiana in accordance with the rules then obtaining of the American Arbitration Association and judgment upon the award rendered may be entered in any court having jurisdiction thereof. The cost of such arbitration shall be borne and paid by the parties equally.

(23) Manner of Giving Notices: Any notices required to be given under this Lease either by the Landlord to the Tenant, or by the Tenant to the Landlord, or by or to any mortgagee of the lease, shall be in writing, and the same shall be given and shall be deemed to have

been served and given in the case of the Landlord when he shall have deposited such notice, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered in a post office, or branch post office in the City of Columbus, Indiana, addressed to the Tenant at 1000 Fifth Street, Columbus, Indiana, or to such other address as the Tenant shall hereafter actually furnish to the Landlord for that purpose, and in the case of the Tenant when he shall have deposited such notice enclosed in a wrapper with the proper postage prepaid thereon and duly registered in a post office or branch post office, in the City of Columbus, Indiana, addressed to the Landlord at Bakalar Municipal Airport, Columbus, Indiana, or to such other address as Landlord shall hereafter furnish to the Tenant for that purpose. Notice to any mortgagee when required shall be given in the same manner as notice is herein required to be given to the Tenant, sent to such mortgagee at the address given in the notice required by this lease or such other address as such mortgagee shall hereinafter furnish to the Landlord for such purpose.

(24) Landlord to Give Statement of No Default: The Landlord within Thirty (30) days after request in writing by the Tenant or any Leasehold Mortgagee of this Lease, will furnish a written statement, duly acknowledged, of the fact that this Lease is in full force and effect and that there are no defaults hereunder by the Tenant, if such is a fact.

(25) Covenant of Quiet Enjoyment: The Tenant upon payment of the rent, "additional rent", and all sums above reserved and upon the due performance of all the terms, covenants, conditions and agreements herein contained on the Tenant's part to be kept and performed, shall and may at all times during the term hereby granted, peaceably and quietly enjoy the demised premises, subject however, to the terms of this Lease.

(26) Binding Effect of Agreement: All the terms, covenants, conditions and agreements herein contained shall in every case be binding

on the respective heirs, legal representatives, successors and assigns of the parties hereto, and all terms, covenants, conditions and agreements contained herein shall be deemed to be not only for the benefit of and enforceable by the Landlord, but also by the successors, grantees, and assigns of the Landlord, and that the same shall be binding on and enforceable against not only the Tenant but also against the heirs, legal representative, successors and assigns of the Tenant, and that the Tenant shall not be discharged from any liability by any sublet of the whole of said premises, or any assignment of this lease, notwithstanding that the Landlord has notice of such sublet or assignment and has recognized such subtenant or assignee as a tenant hereunder.


(27) Landlord's Rights Cumulative: The rights given to the Landlord in this Lease are in addition to any rights that may be given to the Landlord by any statute, rule of Law, or otherwise.

IN WITNESS WHEREOF, this Lease has been duly executed by the Landlord and Tenant the day and year first above written.


CUMMINS ENGINE COMPANY, INC.

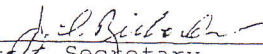
BOARD OF AVIATION COMMISSIONERS
City of Columbus, Indiana

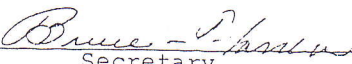
By:


H.A. SMITSON, VICE PRESIDENT

By:


Frank E. Suverkrup, President


Asst. Secretary
J. I. RICHARDS


Secretary,
Bruce Warren

STATE, DO HEREBY CERTIFY THAT CUMMINS ENGINE COMPANY, INC. BY H.H.
SMITSON its VICE PRESIDENT and J.L. RICHARDS
its ASSISTANT SECRETARY, this day appeared before me personally and
did acknowledge that they did sign, seal and deliver the foregoing
Lease of their own free will and accord, and are legally empowered
to execute the same, for the purposes therein named and expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official
seal this 12th day of February, 1977.

Lawrence M. Schick
Notary Public

My Commission Expires:

October 14, 1977

This instrument was prepared by Arthur F. Beck, Attorney at Law.

STATE OF INDIANA)
) SS:
COUNTY OF BARTHOLOMEW)

I, the undersigned, Notary Public, in and for said County and State, do certify that the Board of Aviation Commissioners of Columbus, Indiana, by FRANK E. SUNKRUP, President and BRUCE WARREN, Secretary, this day appeared before me personally and did acknowledge that they did sign, seal and deliver the foregoing Lease of their own free will and accord, and are legally empowered to execute the same, for the purposes therein named and expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 7 day of December, 1978.

Martha K. Burkhardt
Notary Public

My Commission Expires:

7-11-82

STATE OF INDIANA)
) SS:
COUNTY OF BARTHOLOMEW)

I, the undersigned, Notary Public, in and for said County and State, do certify that Cummins Engine Company, Inc. by H.A. SMITSON its VICE PRESIDENT and J.L. RICHARDS its ASSISTANT SECRETARY, this day appeared before me personally and did acknowledge that they did sign, seal and deliver the foregoing Lease of their own free will and accord, and are legally empowered to execute the same, for the purposes therein named and expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 12th day of February, 1979.

Lawrence M. Schaffer
Notary Public

My Commission Expires:

October 19, 1979

This instrument was prepared by Arthur F. Beck, Attorney at Law.